


COUNCIL COMMUNICATION

TO: THE CITY COUNCIL COUNCIL MEETING DATE: DECEMBER 6, 1989
FROM: THE CITY MANAGER'S OFFICE

SUBJECT: URBAN COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT SUPPLEMENTAL FUNDING AGREEMENT

RECOMMENDED ACTION: Approve the Urban County Community Development Block Grant Supplemental Funding Agreement (Res.)

BACKGROUND INFORMATION: This Agreement is a certification to San Joaquin County that the City of Lodi uses Community Development Block Grant (CDBG) funds in accordance with the CDBG regulations found in 24 CFR 570. The Department of Housing and Urban Development (HUD) now requires such a certification between recipients (urban counties) and subrecipients (participating cities) even though receipt of CDBG funds has always been conditioned upon compliance with these regulations.


JAMES B. SCHRÖDER Director
Comm

MEMORANDUM, City of Lodi, Community Development Department

TO: ALICE REIMCHE, CITY CLERK
FROM: NORMAN HOM, COMMUNITY DEVELOPMENT BLOCK GRANT COORDINATOR *XX*
DATE: NOVEMBER 16, 1989

SUBJECT: URBAN COUNTY CDBG SUPPLEMENTAL FUNDING AGREEMENT

Attached is a copy of the Urban County Community Development Block Grant Supplemental Funding Agreement (SFA).

The SFA is a certification to San Joaquin County that Lodi uses CDBG funds in accordance with all program requirements. Such a certification is now required by the U.S. Department of Housing and Urban Development (HUD) for all recipients and subrecipients of federal funds even though, in the past, it was simply understood that grantees were to abide by the regulations set forth in 24 CFR 570.

The attached agreement needs to be signed by the Mayor and by you. If this requires Council action, please call me at Extension 649 and I will prepare a Council Communication.

Attachment

"Urban County"
Community Development Block Grant
Supplemental Funding Agreement

This agreement is entered into this 6th day of December, 1989,
by and between the City of Lodi, hereinafter referred
to as "Recipient", and the County of San Joaquin, hereinafter
referred to as "County".

WHEREAS, the "County", in cooperation with the "Recipient", has
entered into an "Urban County" agreement to distribute and
utilize Community Development Block Grant (CDBG) funds to further
local community development needs; and

WHEREAS, the "County" shall be responsible for the application
for grants available to the "Urban County" under Title I of the
Housing and Community Development ACT of 1974, as amended; and

WHEREAS, the Department of Housing and Urban Development requires
the "County", as grant applicant, to enter into a written
agreement with recipients of CDBG funds, pursuant to 24 CFR
570.503.

WHEREAS, this agreement will supplement and provide clarification
to terms established in the existing Urban County Cooperation
Agreement approved by the Board of Supervisors on November 3,
1987 resolution # R87-984.

NOW, THEREFORE, BE IT RESOLVED that the parties hereto agree as
follows:

I. RECORDKEEPING

Each recipient shall establish and maintain sufficient
records to enable HUD to determine whether the recipient
has met the requirements of 24 CFR 573, Community
Development Block Grant Program. At a minimum, the
following records are needed:

- A. Records providing a full description of each activity assisted (or being assisted) with CDBG funds, including its location, the amount of CDBG funds budgeted, obligated and expended for the activity, and the eligibility provision.
- B. Records demonstrating that each activity undertaken meets one of the mandated national objectives, set forth in 570.208. (Determination made by the County, and provided to the cities.) Such records shall include the following information:
1. For each activity determined to benefit low and moderate income persons, the income limits applied, and the point in time when the benefit was determined.
 2. For each activity determined to benefit low and moderate income persons based on the area served by the activity:
 - a. the boundaries of the service area; and
 - b. the income characteristics of families and unrelated individuals in the service area.
 3. For each activity determined to benefit low and moderate income persons because the activity involves a facility or service designed for use by a limited clientele consisting exclusively or predominantly of low and moderate income persons:
 - a. Documentation establishing that the facility or service is designed for, and used by, senior citizens, handicapped persons, battered spouses, abused children, the homeless, illiterate persons, or migrant farm workers (presumptive low/mod benefit);
 - b. Documentation describing how the nature and, if applicable, the location of the facility or service establishes that it is used predominantly by low and moderate income persons; or
 - c. Data showing the size and annual income of the family of each person receiving the benefit.
 4. For each activity determined to benefit low and moderate income persons based on the creation of jobs, the recipient shall provide:
 - a. a copy of a written agreement from each assisted business containing:

- (1) a commitment by the business that **it** will make at least 51 percent of the jobs available to low and moderate income persons, and will provide training for any of these jobs requiring special skills or education;
 - (2) a listing by job title of the permanent jobs to be created, which jobs require special skills or education, and which jobs are part-time, if any, and
 - (3) a description of actions to be taken by the recipient and business to ensure that low/mod income persons receive first consideration for these jobs.
- b. a listing by job title of the permanent jobs filled, and which jobs of those were available to low/mod income persons, and a listing of low/mod income persons, and a listing of low/mod income persons interviewed for a particular job; and which low and moderate income persons were hired.
5. For each activity determined to benefit **low and moderate income persons based** on the retention of **jobs**:
- a. evidence that, in the absence of **CDBG** assistance, jobs would be **lost**;
 - b. for each business assisted, a listing by job title of permanent jobs retained;
 - c. for each retained job claimed to be held by a low/mod income person, information of the size and annual income of the person's family.
6. For each activity determined to aid in the prevention or elimination of **slums** or blight based on addressing one or more of the conditions which qualified an area as a slum or blighted area:
- a. the boundaries of the area; and
 - b. a description of the conditions which qualified the area at the time of its designation in sufficient detail to demonstrate how the area met the slum and/or blight criteria.

7. For each activity determined to meet a community development need having a particular urgency:
- documentation concerning the nature and degree of seriousness of the condition, requiring assistance;
 - certification that the CDBG activity **was** designed to address the urgent need;
 - information on the timing of the development of the serious condition; and
 - evidence confirming that other financial resources to alleviate the need were not available.

C. Records which demonstrate that an eligibility determination was made **as** prescribed in 24CFR 570.201 (Determination made **by** the **County**, and provided to the cities).

D. Records related to real property acquired or improved in whole or in part using CDBG funds in excess of \$25,000:

Certification that a sub-recipient may not change the use, or planned use, of any such property (including the beneficiaries of such use) **from** that for which the acquisition or improvement **was made, for** five years after the closeout of the grant, unless the recipient provides affected citizens with reasonable notice of, and opportunity **to** comment on, any such proposed change, **and** either:

- the new use of such property qualifies as meeting one of the national objectives, 2nd is not a building for the general conduct of government: or
- property is disposed of in a manner **which** results in the amount of the current fair market value of the CDBG funded acquisition or improvement, and the recipient's CDBG Program is reimbursed in this amount.

E. Records **which** demonstrate compliance with the citizen participation requirements as **follows**:

- provide citizens with information concerning the amount of **CDBG funds** expected to be available;
- provide citizens with the range of activities that may be undertaken with CDBG funds;
- Hold at least one public hearing to obtain citizen views on community needs;

4. publish community-wide, its proposed statement of community development objectives and projected use of CDBG funds so as to afford affected citizens the opportunity to comment.
- F. Record of agreements with subrecipients indicating, at a minimum, the requirements of this agreement, and the following:
1. In accordance with 24CFR 85.43, suspension or termination may occur if the subrecipient materially fails to comply with any term of the award, and that the award may be terminated for convenience in accordance with 24CFR 85.44.
 2. Where applicable, conditions prescribed in 24CFR 570.200(j) for the use of funds by religious organizations.

11. REPORTS

Each recipient shall submit the following performance and/or evaluation report to the County to facilitate mandated reporting to HUD:

- A. a calendar quarterly report of progress and accomplishments for all funded activities, to include a quantitative list of activity beneficiary type(s);
- B. an annual equal employment opportunity report (HUD/EEO-4) on recipient employment, containing data as of June 30;
- C. a semiannual Minority Business Enterprise Report by March 30, indicating contract and subcontract activity during the first half of the fiscal year and, by September 30, a report on such activity during the second half of the year.
- D. Recipients may be required to submit such other reports and information as HUD determines are necessary to carry out its responsibilities.

III. PROGRAM INCOME

Recipients shall enter into written agreements with subrecipients which specifies whether program income received is to be returned to the recipient or retained by the subrecipient. Where program income is to be retained by the subrecipient, the agreement shall specify the activities that will be undertaken with program income,

subject to all applicable requirements governing the use of CDBG funds, and that all provisions of the written agreement shall apply to such activities. When the subrecipient retains program income, program income shall be substantially disbursed before additional drawdowns and grant funds are made for the same activity.

IV. UNIFORM ADMINISTRATIVE REQUIREMENTS

Recipients and subrecipients, which are governmental entities, shall comply with applicable uniform administrative requirements, as described in 24CFR 570.502. and the urban County's certification required by section 104 (b) of Title I the Housing and Community Development Act of 1974, as amended including title VI of the Civil Rights Act of 1964, title VIII of the Civil Rights Act of 1968, section 109 of Title I of the Housing and Community Development Act of 1975, and other applicable laws.

V. REVERSIOW OF ASSETS

The recipient and any of its subrecipients shall, at the expiration of the CDEG grant, transfer to the County any CDBG funds on hand at the time of expiration, and any accounts receivable attributable to the use of CDEG funds.

VI. ENVIRONMENTAL STANDARDS

Prior to the commencement of each CDBG funded activity, the recipient will complete all mandated environmental reviews in compliance with 24CFR Part 56, Environmental Review Procedures for Community Development Block Grants. The County will determine the required environmental review procedure to be completed for each activity, and provide technical assistance to facilitate compliance.

VII. AUDIT

Annually, the recipient shall undertake an audit of its entire operation, by an independent auditor, in accordance with generally acceptable government auditing standards covering financial audits. Results of this audit should be forwarded to the County within 30 days of completion of the audit. Additionally, recipients and subrecipients of CDBG funds shall make available for review all documentation related to the utilization of CDBG funds upon notification by HUD, the County or their designated agents.

VIII. PROPERTY

Property records are to be maintained for all equipment acquired with CDSG funds having an initial acquisition cost of \$5,000 or more. A copy of the property record should be forwarded to the County upon receipt of the equipment.

IX. SUBRECIPIENT AGREEMENT

The Recipient shall enter into a written agreement with **all** subrecipients, which **will** include at a minimum the terms of this agreement.

X. DRUG FREE WORKPLACE CERTIFICATE

The recipient **will** certify to the County that **it** provides a drug-free workplace **as** mandated by the Drug-Free Workplace **Act** and as indicated in Attachment **1**.

XI. TERM OF AGREEMENT

This agreement shall remain in effect during any period that recipients or subrecipients of CDBG funds, under the Urban County Cooperative Agreement (approved by the **Board** of Supervisors on November 3, 1987 resolution # R87-984), have control over CDBG funds, including program income.

XII. SUPPLEMENTAL AGREEMENT

The terms of the Urban County Cooperative Agreement will remain in full force and effect, except for those which are superceded by the provisions herein.

IN WITNESS WHEREOF, the parties have executed the above
instrument on the day and year first above written

"COUNTY"

"RECIPIENT"

EVELYN L. COSTA, Chairman of the
Board of Supervisors

By: John R. (Randy) Snider

John R. Snider
Mayor
City of Lodi

ATTEST: JORETTA J. HAYDE

Clerk of the Board of
Supervisors of the County
of San Joaquin, State of
California

ATTEST:

Mae M. Bumsche
City Clerk
City of Lodi

By: Deputy Clerk (SEAL)

By: Alice M. Reimche

Approved as to form:

John F. Cheadle
County Counsel

By: Sandra Michael Affonso
Sandra Michael Affonso
Deputy County Counsel

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The certification set out below is a material representation upon which reliance is placed by the U.S. Department of Housing and Urban Development in awarding the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the U.S. Department of Housing and Urban Development, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.

CERTIFICATION

A. The grantee certifies that it will provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing a drug-free awareness program to inform employees about -
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will -
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;

- (e) Notifying the U.S. Department of Housing and Urban Development within ten days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction;
- (f) Taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted -
 - (1) Taking appropriate personnel action against such an employee, up to and including termination; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

6. The grantee shall insert in the space provided on the attached "Place of Performance" form the site(s) for the performance of work to be carried out with the grant funds (including street address, city, county, state, zip code and total estimated number of employees). The grantee further certifies that, if it is subsequently determined that additional sites will be used for the performance of work under the grant, it shall notify the U.S. Department of Housing and Urban Development immediately upon the decision to use such additional sites by submitting a revised "Place of Performance" form.

RESOLUTION 89-176

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LODI, CALIFORNIA
APPROVING THE URBAN COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT
SUPPLEMENTAL FUNDING AGREEMENT

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WHEREAS, the Department of Housing and Urban Development has determined that the City of Lodi, California is entitled to Community Development Block Grant (CDBG) funding as a participating City through the County of San Joaquin, an urban County, for Fiscal Year 1989-90; and

WHEREAS, the Department of Housing and Urban Development now requires of all recipients and subrecipients of federal funds, an agreement certifying that CDBG funds are used in accordance with the CDBG regulations found in 24 CFR 570;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi does hereby approve the Urban County Community Development Block Grant Supplemental Funding Agreement, certifying to San Joaquin County that the City of Lodi does use CDBG funds in accordance with the CDBG regulations found in 24 CFR 570; and

BE IT FURTHER RESOLVED, that the Mayor and City Clerk are authorized to execute the Agreement on behalf of the City.

Dated: December 6, 1989

I hereby certify that Resolution No. 89-176 was passed and adopted by the City Council of the City of Lodi in a regular meeting held December 6, 1989 by the following vote:

Ayes: Councilmembers - Hinchman, Olson, Pinkerton, Reid and Snider
(Mayor)

Noes : Councilmembers - None

Absent: Councilmembers - None


JENNIFER M. PERRIN
Deputy City Clerk

for ALICE M. REIMCHE
City Clerk

89-176

RES89176/TXTA.02J